

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF  
THE MIAMI BEACH EMPLOYEES' RETIREMENT PLAN  
OF THE CITY OF MIAMI BEACH  
December 13, 2011

Chairman Boyd called the meeting to order at 10:08 a.m.

Board Members present were as follows:

James Boyd		Hilda Fernandez
Jorge Gomez	Warren Green	Reinaldo Horday
Richard McKinnon	Jonathan Sinkes	

Members absent -	Jose Cruz	Patricia Walker
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Also present were:

Steve Cypen	Legal Counsel
Rick Rivera	Pension Administrator
Robert Martinez	Assistant Pension Administrator
Ralph Granados	Assistant Human Resources Director
Timothy Finch	Budget Officer

A discussion ensued regarding Ms. Roshawn Harris' lumpsum application. Mr. Granados, assistant Human Resources Director, requested that the Board temporarily withhold the payment of interest earned on Ms. Harris' accumulated contributions until criminal allegations against her are concluded.

A motion was made by Ms. Fernandez duly seconded by Mr. Horday, and with all in favor it was unanimously

RESOLVED      That ex-employee Roshawn Harris' lump sum request for the amount of \$11,332.78 be approved less all interest accrued.

A motion was made by Mr. Green duly seconded by Mr. Horday, and with all in favor it was unanimously

RESOLVED      That the Consent Agenda be approved as amended.

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CONSENT AGENDA

C-1 The Minutes of the November 8, 2011 board meeting were approved as amended.

C-2 New Members were approved as follows -

<u>NAME</u>	<u>ID #</u>	<u>CLASSIFICATION</u>	<u>Union</u>	<u>HIRE</u>
Dwight Fulton	19898	Civil Engineer III	UNC	11/14/2011
Maria Cerna	19895	Sr. Capital Project Mngr.	UNC	10/25/2011

C-3 New Retiree Allowances were approved as follows -

<u>Name</u>	<u>Date</u>	<u>Retirement Type</u>	<u>Monthly Amount</u>
Christina Fernandez	12/01/2011	Ordinary Retirement	\$ 1,167.58
Narda Glenn	12/01/2011	Ordinary Retirement (LA)	\$ 2,484.08
Narda Glenn	12/01/2011	Partial Lump Sum Option (5%)	\$19,558.00
Alberto Hernandez	12/01/2011	Ordinary Retirement (LA)	\$ 407.03
Alberto Hernandez	12/01/2011	Partial Lump Sum Option (25%)	\$16,900.00
Neville Johnson	12/01/2011	Ordinary Service Retirement	\$ 2,335.92

C-4 New Pensioner Allowances were approved as follows -

<u>Name</u>	<u>Date of Retirement</u>	<u>Ret. Type</u>	<u>Dependent upon</u>	<u>Amount</u>
Jill Shockett	11/01/2011	J & S 100%	William Shockett	\$175.30

C-5 Requests for Lump Sum Refunds were approved as follows -

<u>Name</u>	<u>Separation Date</u>	<u>Amount</u>	<u>Reason</u>
Roshawn Harris	10/04/2011	\$10,641.41*	Resignation
Edward Johnson	08/26/2011	\$ 7,027.19	Resignation
Alejandro Rey	09/03/2010	\$31,566.73	Resignation

\*excludes interest earned

C-6 Request for Accumulated Contribution Refund for a Named Beneficiary was approved as follows - (None)

C-7 Purchases of Creditable Service Time were approved as follows

<u>Purchases of Creditable Service Time</u>					
<u>NAME</u>	<u>DATE</u>	<u>YEAR PURCHASED</u>	<u>HOURS USED</u>	<u>CASH USED</u>	<u>Buyback Type</u>
DONALD KELLEY	11/28/2011	0.50	80.35	\$ -	Probation
DOUGLAS NAVARRETE	12/1/2011	0.51	133.68	\$ -	Probation
ASSAD PALMER	10/15/2011	0.92		\$3,682.11	Probation

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C-8 Request for up to Two (2) years of additional creditable service were approved as follows -

<u>Employee Name</u>	<u>Sworn Statement</u>	<u>Prior Private Sector</u>	<u>PRIOR MILITARY</u>	<u>Creditable Service Applying for</u>
DARLENE HARRIS	x	x		2.0
RICHARD W. SALTRICK	x	x		2.0
MICHAEL SICA	x	x		2.0
JOHN OLDENBURG	x	x		2.0
CARLOS A. MUNOZ	x	x		2.0
ALBERTO HERNANDEZ	x	x		2.0
KEITH VALLES	x		x	2.0
MARIA ESTEVEZ	x	x		2.0
ROMY MATHURIN	x	x		2.0
KATIE YANKE	x	x		2.0
MERYL ROBIN PORTER	x	x		2.0

C-9 DROP applicants were approved as follows -

<u>Name</u>	<u>Effective</u>		<u>Estimated Monthly Benefit</u>	<u>Maximum Last DROP Pmt.</u>
Katia Hirsh	1/1/2012	\$	3,195.18	12/1/2014
John Oldenburg	1/1/2012	\$	9,614.58	12/1/2014
Leonardo Francis	12/1/2011	\$	6,982.95	11/1/2014
Robert Martinez	1/1/2012	\$	6,458.16	12/1/2014

C-10 Lump Sum Refunds Paid since the last meeting were approved as follows -

<u>DATE</u>	<u>NAME</u>	<u>CK #</u>	<u>Amount</u>
11/15/2011	Lump Sum- Dusev	112948	\$4,263.84
	945 Tax Deposit -Dusev	xxxx	\$1,065.96
11/15/2011	Lump Sum- Gonzalez	112949	\$12,590.72
	945 Tax Deposit- Gonzalez	xxxx	\$3,147.68
11/15/2011	Death Benefit- Clemente	112950	\$43,150.04

C-11 The Financial Reports were approved as presented.

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**C-12 Requests for Payment**

**ADMINISTRATIVE EXPENSES**

**Legal**

Steve Cypen- Legal Services

Legal services rendered for the month of December 2011 \$ 5,000.00

**Bookkeeping**

Joan Wall- Bookkeeping

services rendered for the month of November \$ 350.00

**Actuary Fee**

GRS- Actuary Fee

Services rendered through 10/31/11 per inv.# 116918 dated 11/14/11 \$ 3,311.00

**Auditors**

Goldstein, Schechter, Koch- Auditing Services

Progress bill for audit for P/E 9/30/11 per inv. # 88366, 86500 \$ 4,500.00

**Medical Board**

Cornel Lupu, MD- Medical Exam

Medical exam for disability applicant Yilberto Morceigo \$ 500.00

Frank Fuentes, MD- Medical Exam

Medical exam for disability applicant Yilberto Morciego \$ 275.00

Jose Vazquez, MD- Medical Exam

Medical exam for disability applicant Yilberto Morceigo \$ 275.00

**Office, etc.**

Copier - Sharp Lease

Monthly copier fees per inv.# \$ 228.56

Supplies- Office Depot

Misc. supplies per inv. # 585788642001, 585788526001, 58830628001 \$ 252.25

Printing & Postage- CMB Central Services

Printing & Mailing Charges for the month of Oct. Per inv.# 00026443 \$ 1,546.64

Office Maintenance - Property Management Fees, CMB

For the month of October 2011 per inv.# 00026405 \$ 1,396.96

Storage- IDD

Monthly storage fees for the Per inv.# 0064522 \$ 48.11

**Investment Fees**

Investment Fees - Wellington Management

Qtr. Ending 9/30/11 Per inv.# 449920 \$ 47,844.40

**Custody Fees**

Fiduciary Trust- Custodian

Qtr. Ending 9/30/11 Inv.# S14800143743 \$ 3,146.83

**Investment Consultant Fees**

Consulting Services- Milliman

Qtr. Ending 12/31/11 Inv. Dated 11/22/11 \$ 15,000.00

**Conv/Seminars/Dues/Etc**

NCPERS- Conf. & Edu.

Legislative Conference Washington, DC Feb. 5-7, 2012 \$ 150.00

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REGULAR AGENDA

The Administrator requested an addendum for employee Gerald Coldros who was requesting the return of his 2 (two) year buyback funds.

A motion was made by Mr. Sinkes duly seconded by Mr. McKinnon, and with all in favor it was unanimously

RESOLVED That Item R-2(f), Gerald Coldros' request for a return of 2 (two) year buyback funds, be added to the regular agenda.

R-1 Deferred Items -

- A. Discussion of Amortization Method for Unfunded Liability - A discussion ensued regarding this item.

A motion was made by Mr. Sinkes duly seconded by Mr. Green, and with all in favor except Ms. Fernandez it was

RESOLVED that the item, discussion of amortization method for unfunded liability, be removed from the Regular Agenda's deferred items.

R-2 New Items -

- A. 2011/2012 Administrative Budget - The Administrator said that he would present the budget when the financial statements are finalized so that fiscal year-end expenses provided in the budget match exactly and budgeted items can be approximated with greater accuracy.

- B. Pension office carpet & tinting quotes - The Administrator provided the Board new carpet quotes from Casino's Flooring, Inc. the company currently replacing carpet at City Hall. He also provided the Board a quote for window tinting for the new front doors to the pension office. Ms. Fernandez suggested that the Administrator contact the property management department to see if the pension office is part of the 'replacement & renewal budget' for new carpets. The Board approved the window tinting quote for \$175 for the 2 (two) pension office front doors.

A motion was made by Mr. Green seconded by Mr. Fernandez, and unanimously

RESOLVED that the Administrator be authorized to have the pension office doors tinted at a cost no greater than \$175.

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- C. Rate increase proposal for Ellen Schaffer - The Board approved the hourly rate increase to \$115 per hour for pension software programmer Ellen Schaffer.
- D. Board Meeting Calendar - The Board reviewed and accepted the Board Meeting Calendar for 2012.
- E. 3<sup>rd</sup> Party use of Actuary by James W. Boyd - Chairman Boyd said that the Plan's Actuary, Steve Palmquist, had contacted him regarding a request from the City's Budget Advisory Committee (BAC) to use his services to cost out a 'closing of the Plan' scenario. Mr. Boyd stated that Mr. Palmquist had conveyed to him that he would prefer not doing anymore 3<sup>rd</sup> party work for the City. He said that Mr. Palmquist would prefer to only work for the Plan.

Chairman Boyd said that he had reviewed the motion for 3<sup>rd</sup> party use of the Actuary and it stated that a 3<sup>rd</sup> party request to use the Plan's actuary must be in writing, approved by the Board in a case by case basis. He said that several months earlier the Board had given the BAC permission to run a study regarding annual required contribution (ARC) scenarios. Chairman Boyd said that this was a separate request and required Board approval before Mr. Palmquist could conduct a study if he chose to.

Chairman Boyd said that in the future the Actuary should be limited to providing raw data to an approved 3<sup>rd</sup> party and should not provide an opinion on any scenarios. Mr. Gomez felt that the Plan's professionals only work for the Plan and should not be working for any other entity. A discussion ensued. Ms. Fernandez requested from the Administrator that the policy be written up and brought back to the Board.

- F. Request for refund of two (2) year buyback by employee Gerald Coldros - Mr. Coldros stated that he had paid for his two (2) year buyback several years ago with a personal check. He said that his life circumstances had changed and he now planned to work at least two (2) years past the time when he maxed out in creditable service. He said that in this regard this made his buyback obsolete and wished to request a refund of his buyback. A discussion ensued. Mr. Cyphen said that refunding Mr. Coldros for his two (2) year buyback was not allowed and that doing so could threaten the qualified status of the Plan. A discussion ensued.

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Mr. Coldros asked the Board what would happen if the Plan received a duplicate payment for his two (2) year buyback. Mr. Cypen stated that in the case of a duplicate payment Mr. Coldros would be eligible to receive a refund.

A motion was made by Mr. McKinnon seconded by Mr. Green, and unanimously

RESOLVED that in the case of an overpayment for a two (2) year buyback, Mr. Coldros be refunded the overpayment.

R-3 Other Business

A. Administrator's Report - There was no new information at this meeting.

R-4 For Your Information

Chairman Boyd and Mr. Cypen reviewed For Your Information.

There being no further business to discuss, a motion was made by Mr. Horday duly seconded by Mr. Gomez and unanimously

RESOLVED That the meeting be adjourned. The meeting was adjourned at 11:24 a.m.

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James Boyd, Chairman

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Hilda Fernandez, Secretary